

# Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: December 10-11, 2003

Reference No.: 3.6  
Information Item

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Ref: **FIFTH CYCLE AB 1012 UNOBLIGATED RSTP, CMAQ, AND REGIONAL TEA "USE IT OR LOSE IT" NOTICE**

## **SUMMARY:**

The annual notice to regional agencies for Cycle 5 of AB 1012 "Use it or Lose It" provisions will be released on December 8, 2003. Based on the September 30, 2003 balances, the total funds subject to reprogramming for Cycle 5 of AB 1012 are approximately \$229 million: Congestion Mitigation and Air Quality Improvement Program (CMAQ) - \$72 million; Regional Surface Transportation Program (RSTP) - \$125 million; and Regional Transportation Enhancement Activity Program (R-TEA) - \$32 million. CMAQ funds account for 31 percent of the balance subject to reprogramming, RSTP funds account for 55 percent, and R-TEA funds subject account for 14 percent.

## **BACKGROUND:**

AB 1012 was enacted October 10, 1999, with a goal of improving the delivery of transportation projects. A section of the legislation states that regional agency CMAQ and RSTP funds that are not obligated within the first three years of federal eligibility are subject to reprogramming by the California Transportation Commission (Commission) in the fourth year. The Department of Transportation (Department) is including R-TEA funds under the AB 1012 use it or lose it requirements. In addition, the Department is required to submit quarterly progress reports on impacted fund balances to the Commission.

## **DISCUSSION:**

The unobligated delivery balances in total for RSTP, CMAQ, and R-TEA have remained lower than the initial Cycle 1 AB 1012 notification balances for every subsequent cycle. Cycle 5 is \$229 million compared to \$334 million for Cycle 1. This is a significant accomplishment

considering the Cycle 1 unobligated delivery balances did not include R-TEA and, apportionments have increased since Federal Fiscal Year (FFY) 1999. The total unobligated delivery balances have ranged from \$859 million for Cycle 1 to \$730 million for Cycle 5, a reduction of more than \$133 million.

The number of agencies and the amounts subject to reprogramming have also remained less for the Cycle 1 notification. Twenty regions had CMAQ balances subject to reprogramming and 10 regional agencies had RSTP balances subject to reprogramming. Cycle 5 total balances subject to reprogramming are \$229 million, a reduction of approximately \$105 million. Eleven agencies have CMAQ balances subject to reprogramming (compared to 20 agencies for Cycle 1), nine agencies have RSTP balances (compared to 10 agencies for Cycle 1), and 32 agencies have R-TEA balances subject to reprogramming (R-TEA was not included in Cycle 1).

The Cycle 5 AB 1012 balances assume that all Cycle 4 funds subject to reprogramming will be obligated, extended, or reprogrammed. Therefore, no Cycle 4 funds are included in the fifth cycle amounts.

The Federal Highway Administration (FHWA) has not yet released the total obligation authority (OA) for FFY 2004. Instead, OA has been distributed via Continuing Resolutions (CR). The Department has only received OA for 52 days, based on the previous years' total OA amount. At this time, it is not known when the full annual amount of OA for FFY 2004 will become available. In the meantime, local agencies are only able to obligate a portion of their projects that are ready to submit to FHWA. Regions with AB 1012 balances will be given priority for use of local OA when additional amounts become available.

Attachments

**APPORTIONMENT STATUS REPORT**  
**CMAQ, RSTP, R-TEA**  
**per AB 1012**  
**as of September 30, 2003**

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**Cycle 5 Summary**

Region	CMAQ Unobligated 9/30/2003 Delivery Balance <sup>1</sup>	CMAQ Amount Subject to AB 1012 Reprogramming Cycle 5 12/9/2003 <sup>2</sup>	RSTP Unobligated 9/30/2003 Delivery Balance <sup>1</sup>	RSTP Amount Subject to AB 1012 Reprogramming Cycle 5 12/9/2003 <sup>2</sup>	R-TEA Unobligated 9/30/2003 Delivery Balance <sup>1</sup>	R-TEA Amount Subject to AB 1012 Reprogramming Cycle 5 12/9/2003 <sup>2</sup>
Butte	187,959	-	-	-	-	-
Fresno	15,268,252	4,947,679	14,133,207	7,090,138	1,935,271	810,752
Kern	8,762,160	2,264,835	5,190,192	-	1,541,814	69,983
Kings	-	-	-	-	417,619	196,785
Los Angeles	33,284,776	-	179,107,466	93,809,078	14,836,680	4,873,112
Madera	-	-	716	-	-	-
Merced	3,221,447	1,114,674	1,449,408	-	-	-
Monterey	2,492,056	306,288	1,979,859	-	1,272,354	670,071
Orange	63,440,279	30,871,014	35,528,781	9,406,922	6,627,317	3,263,828
Riverside	22,871,153	-	19,020,559	4,125,998	5,493,470	2,236,223
Sacramento (SACOG)	13,927,893	-	11,087,747	-	2,988,877	1,087,187
San Benito	809,488	265,209	-	-	107,281	2,511
San Bernardino	37,428,158	20,873,184	17,915,635	2,853,613	7,831,785	3,095,063
San Diego	19,255,724	-	28,334,786	3,565,053	3,297,052	19,015
S.F. Bay Area (MTC)	6,759,972	-	47,668,903	-	16,743,492	8,865,731
San Joaquin	2,758,094	-	4,366,395	-	1,178,038	446,703
San Luis Obispo	-	-	1,495,741	-	1,655,867	672,986
Santa Barbara	2,972,735	-	3,384,011	-	1,421,984	750,753
Santa Cruz	1,586,657	222,485	58,457	-	1,099,638	393,927
Stanislaus	3,394,988	-	5,031,071	1,092,475	1,103,057	536,490
Tahoe	661,129	190,806	-	-	(4,776)	-
Tulare	8,572,124	3,381,347	-	-	1,641,116	775,184
Ventura	14,014,535	7,299,156	7,162,083	531,856	1,799,750	814,635
Rural Counties & SCAG	-	-	5,433,171	2,457,986	7,107,179	2,759,714
<b>TOTAL</b>	<b>261,669,579</b>	<b>71,736,677</b>	<b>388,348,188</b>	<b>124,933,119</b>	<b>80,094,865</b>	<b>32,340,653</b>

<sup>1</sup> Indicates all apportionments not yet obligated.

<sup>2</sup> Reflects balances 2-years old entering 3rd year.

Cycle 4 assumes the use of all Cycles 2 & 3 balances.

Note: The Regional balances reflect activities that have been recorded in Caltrans's Local Assistance accounting system. There may be a time delay between the FHWA authorization and the recording of the transaction in the Caltrans's Local Assistance accounting system.

**APPORTIONMENT STATUS REPORT RURAL COUNTIES**  
**CMAQ, RSTP, AND R-TEA**  
**per AB 1012**  
**as of September 30, 2003**

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**Cycle 5 Summary**  
**Rural Counties**

Region	CMAQ Amount		RSTP Amount		R-TEA Amount	
	CMAQ Unobligated 9/30/2003 Delivery Balance <sup>1</sup>	Subject to AB 1012 Reprogramming Cycle 5 12/9/2003 <sup>2</sup>	RSTP Unobligated 9/30/2003 Delivery Balance <sup>1</sup>	Subject to AB 1012 Reprogramming Cycle 5 12/9/2003 <sup>2</sup>	R-TEA Unobligated 9/30/2003 Delivery Balance <sup>1</sup>	Subject to AB 1012 Reprogramming Cycle 5 12/9/2003 <sup>2</sup>
<b>Rural County Information:</b>						
Del Norte	-	-	-	-	-	-
Humboldt	-	-	-	-	425,922	111,263
Lake	-	-	-	-	-	-
Mendocino	-	-	-	-	509,071	212,005
Lassen	-	-	-	-	641,579	225,350
Modoc	-	-	-	-	106,269	-
Plumas	-	-	-	-	344,980	140,317
Siskiyou	-	-	-	-	346,243	110,215
Tehama	-	-	-	-	-	-
Trinity	-	-	-	-	(115,854)	-
Colusa	-	-	-	-	-	-
El Dorado	-	-	159,699	-	94,823	-
Glenn	-	-	-	-	-	-
Nevada	-	-	-	-	276,002	109,295
Placer	-	-	1,551,865	-	445,629	127,375
Sierra	-	-	-	-	-	-
Inyo	-	-	8,005	-	982,765	491,314
Mono	-	-	-	-	735,551	359,963
Alpine	-	-	-	-	-	-
Amador	-	-	-	-	341,235	120,292
Tuolumne	-	-	-	-	295,185	155,739
Imperial (SCAG)	-	-	3,713,602	2,457,986	1,549,096	580,311
<b>Rural Combined Totals:</b>	-	-	5,433,171	2,457,986	7,107,179	2,759,714

<sup>1</sup> Indicates all apportionments not yet obligated.

<sup>2</sup> Reflects balances 2-years old entering 3rd year.

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Note: The Regional balances reflect activities that have been recorded in Caltran's Local Assistance accounting system. There may be a time delay between the FHWA authorization and the recording of the transaction in the Caltran's Local Assistance accounting system.